

# Montgomery County Public Schools

## MISSION STATEMENT

The Montgomery County Public Schools (MCPS) operates a Countywide system of public schools for students from pre-kindergarten through high school. For the 2004-05 school year (FY05), 139,337 students in pre-kindergarten classes through grades 12 attend 192 separate public educational facilities. For the 2005-06 school year (FY06), enrollment is estimated at 140,410 students. MCPS also maintains a comprehensive adult education evening high school and summer school program.

## BUDGET OVERVIEW

The total recommended FY06 Operating Budget for Montgomery County Public Schools is \$1,722,472,494, an increase of \$113,089,961 or 7.0 percent from the original FY05 approved budget of \$1,609,382,533.

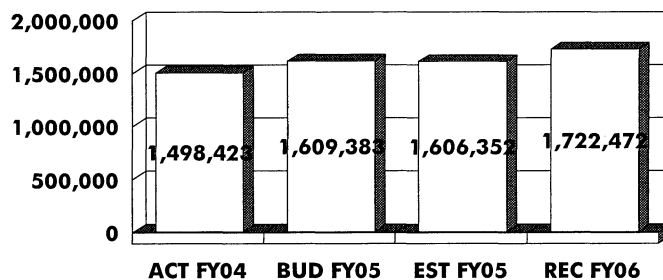
In addition to the total recommended Operating Budget for the public schools, this agency's Capital Improvements Program (CIP) requires current revenue funding. Approximately \$12.7 million dollars in FY06 current revenues is recommended in the FY05-10 CIP. Please see Section 6 for information related to the CIP.

The Board of Education's (BOE) March Operating Budget request for FY06 totals \$1,722,472,494, an increase of \$113,089,961 or 7.0 percent from the original FY05 approved budget of \$1,609,382,533. Funding for the BOE's request is comprised of the County's contribution (75.2 percent of all revenue), State aid and grants (17.6 percent), Federal grants and aid (3.6 percent), and tuition, fees, and private grants (0.6 percent). Revenues from enterprise funds (2.9 percent) and the special revenue fund (0.1 percent) make up the balance of the request.

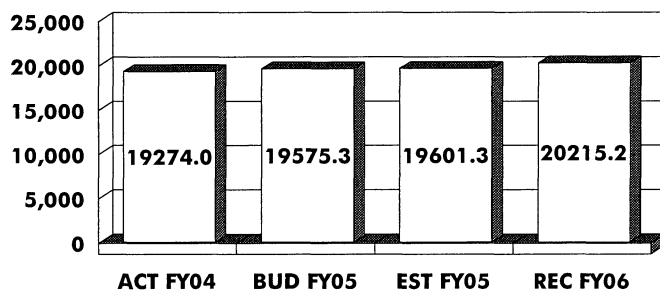
The County Executive's role in the budget process is to present in writing to the County Council a recommended budget total for the schools. For FY06, the County Executive recommends fully funding the BOE's request. The recommended amount would raise total per pupil spending to \$12,267, the highest level ever.

The Executive's recommendation assumes that the State will fulfill its obligation to the school system by funding the Geographic Cost of Education Index (GCEI). The recommended budget reflects the County's contribution of \$1,282,414,190 (74.5 percent of all recommended funding), State aid and grants of \$315,888,838 (18.3 percent), Federal grants and aid of \$62,896,035 (3.6 percent), and tuition, fees, and private grants of \$10,430,804 (0.6 percent). The recommended appropriation for the fee supported enterprise funds is \$49,628,511 (2.9 percent) and for the special revenue fund is \$1,214,516 (0.1 percent).

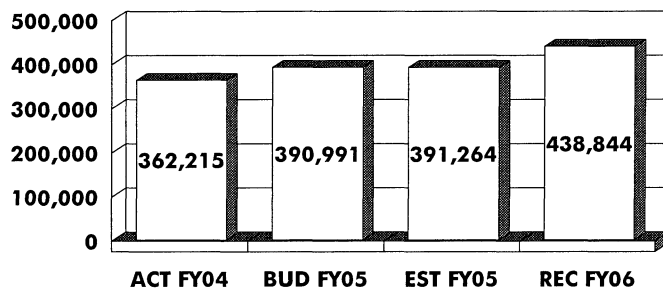
## Trends



EXPENDITURES [\$000s]



WORKYEARS



RELATED REVENUES [\$000s]

## **Tax Supported Funding for the Public Schools**

For FY06, the total tax supported portion of the Executive's recommendation (excluding grants and enterprise funds) is \$1,601,973,356, an increase of \$110,305,421 or 7.4 percent over the original FY05 approved Operating Budget.

Included in the tax supported portion of the recommendation is the local contribution of funds. The Executive's recommendation of \$1,282,414,190 represents a total increase in local funding of \$65,199,637 or 5.4 percent over the original FY05 approved local appropriation.

The Executive's recommendation of \$1,282.4 million in local funding is \$58.2 million above the FY06 State Maintenance of Effort requirement. Providing local funds to meet the State Maintenance of Effort requirement ensures the receipt of increased State aid to the public schools.

The Executive's recommendation provides the BOE with an increase in taxpayer dollars to address educational needs and maintain commitments to employees. The Executive supports MCPS' continued efforts to achieve its academic goal of raising the bar for all students and closing the gaps among groups.

### **Fiscal Summary**

The Executive's total recommendation from all funding sources of \$1,722,472,494 represents 100 percent of the BOE's March request for funding; however, the Executive's recommendation assumes that the State will fulfill its obligation to the school system by providing \$12.1 million for the GCEI.

The Executive's recommendation responds to the needs of the school system, particularly as they relate to educational priorities, and supports the policies and efforts of the BOE. The Executive endorses funding of contracts negotiated with the Montgomery County Education Association, the Montgomery County Association of Administrative and Supervisory Personnel, and the Montgomery County Council of Supporting Service Employees. He also supports the FY06 initiatives of the BOE, including the expansion of all-day kindergarten to an additional 20 schools, reducing class size, and raising accountability for student achievement. The Executive relies on the BOE to determine the most appropriate manner to deliver educational services within the recommended allocation.

### **Spending Affordability**

In December 2004, the Montgomery County Council approved FY06 Spending Affordability Guidelines (SAG) of \$1,536.6 million for the tax supported funds of MCPS. The BOE has requested \$1,602.0 million in tax supported funds, \$65.4 million or 4.3 percent above the SAG guideline. The County Executive recommends the same amount for MCPS. The County Council will revisit the SAG by the second Tuesday after the General Assembly adjourns. If the Council amends the allocation for MCPS and it is below the level recommended by the County Executive, the Executive will forward to the Council

information on changes the Council would need to make if the Council were to appropriate the FY06 budget at the level set by the SAG.

## **Additional Budget Details**

The Executive believes that the total FY06 Operating Budget recommendation provides the resources to address adequately the public school's most critical educational needs to improve achievement for all students. In making this recommendation, the Executive affirms the authority of the BOE to establish educational policy and to determine the allocation of appropriated funds in support of the mission of the public school system.

Complete information regarding the MCPS budget request is available in the FY06 Operating Budget adopted by the BOE on March 1, 2005. Copies of the budget are available at Montgomery County libraries, on the MCPS web site and, upon request, from the school system.

## **HIGHLIGHTS**

- ❖ **Provide funding to accommodate the enrollment of 140,410 students.**
- ❖ **Increase MCPS total funding by \$113.1 million, 100% of the Board of Education's request, and a 7.0% increase over the original FY05 approved budget.**
- ❖ **Assume the State will fulfill its obligation to the school system by providing \$12.1 million to fund the Geographic Cost of Education Index.**
- ❖ **Expand spending per pupil by \$812 to \$12,267, the highest level ever.**
- ❖ **Support the priorities of the Board of Education to expand full-day kindergarten to an additional 20 schools.**
- ❖ **Fund initiatives proposed by the Board of Education to decrease elementary school maximum class limits by two students and reduce oversized classes in secondary schools.**
- ❖ **Support other initiatives to raise accountability for student achievement, introduce curriculum improvements, increase special education staffing, modernize technology, expand the number of elementary school assistant principals, and add building service workers.**
- ❖ **Provide about \$4 million for programs that support the Countywide Gang Prevention Initiative.**
- ❖ **Back the efforts of the Long Branch Task Force related to education and youth by providing extended year accelerated learning programs at several elementary schools in that neighborhood and developing academies and themed programs in the area high schools.**
- ❖ **Move toward the academic goals of raising the bar**

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**for all students and closing the gap among groups:**

- ***In elementary schools, test scores show improved student performance in reading, mathematics and language skills.***
- ***At the secondary school level, increasing numbers of students enroll in rigorous courses, such as Algebra in middle school and Advanced Placement courses in high schools.***
- ***The average SAT score reached 1,102 -- the highest ever achieved by MCPS students.***
- ***Although the achievement gap has not closed completely, it has narrowed significantly as African American and Hispanic students have demonstrated continued improvement as measured by national and state assessments.***

❖ ***Apply the new Teacher-Centered Model to integrate technology into the classroom and reclaim valuable instruction time by allowing teachers to quickly complete student assessments.***

❖ ***Hold the share of the budget used for central administration to 2.1% in FY06 and allow a greater proportion of resources to be dedicated to the classroom.***

## **PROGRAM CONTACTS**

Contact Dr. Marshall Spatz of the Montgomery County Public Schools at 301.279.3547 or Charles Goldsmith of the Office of Management and Budget at 240.777.2779 for more information regarding this agency's operating budget.

## BUDGET SUMMARY

	Actual FY04	Budget FY05	Estimated FY05	Recommended FY06	% Chg Bud/Rec
<b>CURRENT FUND MCPS</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Current Fund MCPS Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
Operating Expenses	1,386,030,677	1,491,667,935	1,488,364,207	1,601,973,356	7.4%
Capital Outlay	0	0	0	0	—
<b>Current Fund MCPS Expenditures</b>	<b>1,386,030,677</b>	<b>1,491,667,935</b>	<b>1,488,364,207</b>	<b>1,601,973,356</b>	<b>7.4%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	18001.9	18247.0	18273.0	18845.1	3.3%
<b>REVENUES</b>					
Basic State Aid	164,336,284	161,374,508	161,374,508	172,961,030	7.2%
GCEI - Geographic Cost of Education Index	0	0	0	12,096,000	—
Transportation	24,196,410	26,168,520	26,168,520	25,920,075	-0.9%
Students With Disabilities	21,595,882	26,231,346	26,231,346	32,457,671	23.7%
Foster Care/Miscellaneous	332,211	250,000	250,000	250,000	—
Thornton Legislation	37,607,601	55,214,348	55,214,348	71,181,062	28.9%
Tuition-Other Sources	2,590,226	5,034,660	5,034,660	4,513,328	-10.4%
Federal Revenues	262,516	180,000	180,000	180,000	—
<b>Current Fund MCPS Revenues</b>	<b>250,921,130</b>	<b>274,453,382</b>	<b>274,453,382</b>	<b>319,559,166</b>	<b>16.4%</b>
<b>GRANT FUND MCPS</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Grant Fund MCPS Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
Operating Expenses	69,860,957	68,506,070	68,506,070	69,656,511	1.7%
Capital Outlay	0	0	0	0	—
<b>Grant Fund MCPS Expenditures</b>	<b>69,860,957</b>	<b>68,506,070</b>	<b>68,506,070</b>	<b>69,656,511</b>	<b>1.7%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	661.1	716.8	716.8	748.7	4.5%
<b>REVENUES</b>					
Federal Grants	59,475,122	60,206,961	61,132,985	62,716,035	4.2%
State Grants	8,633,836	1,455,609	1,455,609	1,023,000	-29.7%
Private Grants	1,751,999	6,843,500	5,917,476	5,917,476	-13.5%
<b>Grant Fund MCPS Revenues</b>	<b>69,860,957</b>	<b>68,506,070</b>	<b>68,506,070</b>	<b>69,656,511</b>	<b>1.7%</b>
<b>FOOD SERVICE FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Food Service Fund Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
Operating Expenses	33,745,080	40,093,775	40,093,775	41,551,415	3.6%
Capital Outlay	0	0	0	0	—
<b>Food Service Fund Expenditures</b>	<b>33,745,080</b>	<b>40,093,775</b>	<b>40,093,775</b>	<b>41,551,415</b>	<b>3.6%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	575.4	577.4	577.4	589.5	2.1%
<b>REVENUES</b>					
Child Care Food Service	658,183	775,000	775,000	775,000	—
Federal Food	12,175,398	13,059,840	13,059,840	13,464,654	3.1%
State Food	821,576	899,640	899,640	974,687	8.3%
Sale of Meals	20,089,923	25,359,295	25,359,295	26,337,074	3.9%
<b>Food Service Fund Revenues</b>	<b>33,745,080</b>	<b>40,093,775</b>	<b>40,093,775</b>	<b>41,551,415</b>	<b>3.6%</b>
<b>REAL ESTATE FUND</b>					

	Actual FY04	Budget FY05	Estimated FY05	Recommended FY06	% Chg Bud/Rec
<b>EXPENDITURES</b>					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Real Estate Fund Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	—
Operating Expenses	1,724,390	1,721,538	1,721,538	1,794,927	4.3%
Capital Outlay	0	0	0	0	—
<b>Real Estate Fund Expenditures</b>	<b>1,724,390</b>	<b>1,721,538</b>	<b>1,721,538</b>	<b>1,794,927</b>	<b>4.3%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	4.0	4.0	4.0	4.0	—
<b>REVENUES</b>					
Real Estate Fund	1,724,390	1,721,538	1,721,538	1,794,927	4.3%
<b>Real Estate Fund Revenues</b>	<b>1,724,390</b>	<b>1,721,538</b>	<b>1,721,538</b>	<b>1,794,927</b>	<b>4.3%</b>
<b>ADULT EDUCATION AND SUMMER SCHOOL</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Adult Education and Summer School Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	—
Operating Expenses	3,806,206	3,757,419	3,757,419	3,677,298	-2.1%
Capital Outlay	0	0	0	0	—
<b>Adult Education and Summer School Expenditures</b>	<b>3,806,206</b>	<b>3,757,419</b>	<b>3,757,419</b>	<b>3,677,298</b>	<b>-2.1%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	7.8	5.6	5.6	4.6	-17.9%
<b>REVENUES</b>					
Adult Education/Summer School	3,770,253	3,721,466	3,721,466	3,677,298	-1.2%
State: Adult Education and Summer School	13,420	13,420	13,420	0	—
Federal Aid	22,533	22,533	22,533	0	—
<b>Adult Education and Summer School Revenues</b>	<b>3,806,206</b>	<b>3,757,419</b>	<b>3,757,419</b>	<b>3,677,298</b>	<b>-2.1%</b>
<b>FIELD TRIP FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Field Trip Fund Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	—
Operating Expenses	1,318,661	1,356,732	1,356,732	1,339,619	-1.3%
Capital Outlay	0	0	0	0	—
<b>Field Trip Fund Expenditures</b>	<b>1,318,661</b>	<b>1,356,732</b>	<b>1,356,732</b>	<b>1,339,619</b>	<b>-1.3%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	3.0	3.0	3.0	3.0	—
<b>REVENUES</b>					
Field Trip Fees	1,318,661	1,356,732	1,356,732	1,339,619	-1.3%
<b>Field Trip Fund Revenues</b>	<b>1,318,661</b>	<b>1,356,732</b>	<b>1,356,732</b>	<b>1,339,619</b>	<b>-1.3%</b>
<b>ENTREPRENEURIAL ACTIVITIES FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Entrepreneurial Activities Fund Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	—
Operating Expenses	838,199	1,102,064	1,375,064	1,264,852	14.8%
Capital Outlay	0	0	0	0	—
<b>Entrepreneurial Activities Fund Expenditures</b>	<b>838,199</b>	<b>1,102,064</b>	<b>1,375,064</b>	<b>1,264,852</b>	<b>14.8%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	7.3	8.0	8.0	6.8	-15.0%
<b>REVENUES</b>					
Entrepreneurial Activities Fee	838,199	1,102,064	1,375,064	1,264,852	14.8%
<b>Entrepreneurial Activities Fund Revenues</b>	<b>838,199</b>	<b>1,102,064</b>	<b>1,375,064</b>	<b>1,264,852</b>	<b>14.8%</b>

	Actual FY04	Budget FY05	Estimated FY05	Recommended FY06	% Chg Bud/Rec
<b>INSTRUCTIONAL TELEVISION FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Instructional Television Fund Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
Operating Expenses	1,098,698	1,177,000	1,177,000	1,214,516	3.2%
Capital Outlay	0	0	0	0	—
<b>Instructional Television Fund Expenditures</b>	<b>1,098,698</b>	<b>1,177,000</b>	<b>1,177,000</b>	<b>1,214,516</b>	<b>3.2%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	13.5	13.5	13.5	13.5	—
<b>DEPARTMENT TOTALS</b>					
<b>Total Expenditures</b>	<b>1,498,422,868</b>	<b>1,609,382,533</b>	<b>1,606,351,805</b>	<b>1,722,472,494</b>	<b>7.0%</b>
<b>Total Full-Time Positions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
<b>Total Part-Time Positions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
<b>Total Workyears</b>	<b>19274.0</b>	<b>19575.3</b>	<b>19601.3</b>	<b>20215.2</b>	<b>3.3%</b>
<b>Total Revenues</b>	<b>362,214,623</b>	<b>390,990,980</b>	<b>391,263,980</b>	<b>438,843,788</b>	<b>12.2%</b>

MCPS EXPENDITURES FY80-FY06					
County	Fiscal Year	Total Expenditures	Total Enrollment	Per Pupil	County Funding As Percent of Total
	80	\$283,964,983	102,519	\$2,770	\$217,458,068 76.58%
	81	\$310,301,970	98,843	\$3,139	\$243,994,370 78.63%
	82	\$331,546,219	95,587	\$3,469	\$267,891,955 80.80%
	83	\$351,939,986	92,517	\$3,804	\$286,965,658 81.54%
	84	\$371,322,717	91,030	\$4,079	\$303,726,901 81.80%
	85	\$399,916,181	91,704	\$4,361	\$330,035,065 82.53%
	86	\$436,875,791	92,871	\$4,704	\$361,788,973 82.81%
	87	\$475,866,930	94,460	\$5,038	\$398,053,264 83.65%
	88	\$519,622,140	96,271	\$5,397	\$434,582,576 83.63%
	89	\$577,957,669	98,519	\$5,866	\$488,062,505 84.45%
	90	\$642,553,932	100,259	\$6,409	\$545,768,528 84.94%
	91	\$702,260,084	103,732	\$6,770	\$601,407,797 85.64%
	92	\$712,896,646	107,140	\$6,654	\$603,939,300 84.72%
	93	\$738,767,864	110,037	\$6,714	\$622,732,456 84.29%
	94*	\$793,907,907	113,429	\$6,999	\$666,557,884 83.96%
	95	\$830,010,147	117,082	\$7,089	\$695,512,609 83.80%
	96	\$878,160,420	120,291	\$7,300	\$718,938,647 81.87%
	97	\$915,141,097	122,505	\$7,470	\$740,984,871 80.97%
	98	\$958,416,196	125,035	\$7,665	\$765,835,476 79.91%
	99	\$1,034,768,530	127,852	\$8,093	\$820,833,423 79.33%
	00	\$1,105,644,145	130,689	\$8,460	\$870,940,869 78.77%
	01	\$1,216,096,599	134,180	\$9,063	\$959,754,838 78.92%
	02	\$1,323,625,477	136,832	\$9,673	\$1,029,703,651 77.79%
	03	\$1,412,161,822	138,891	\$10,167	\$1,079,188,698 76.42%
	04	\$1,498,374,041	139,203	\$10,764	\$1,136,392,169 75.84%
	05	\$1,609,382,533	140,492	\$11,455	\$1,217,214,553 75.63%
	Rec. 06	\$1,722,472,494	140,410	\$12,267	\$1,282,414,190 74.45%

Sources: Board of Education Approved Operating Budgets

**Notes:**

\* State legislative action shifted responsibility for teacher Social Security payments to local jurisdictions in FY94.

Per pupil spending represents all sources of funds

In addition to MCPS appropriations, funding in support of MCPS programs is represented in:

- Capital Improvements Program (CIP) Current Revenue
- Debt Service on School Facilities
- Crossing Guards (Police Department)
- School Health Nurses and Health Room Technicians (Health and Human Services)

Other programs budgeted outside of the MCPS budget but directly supporting the success of every student are:

- Early Childhood Initiative (Health and Human Services and Libraries)
- Linkages to Learning (Health and Human Services)
- Educational Alternatives (Health and Human Services)
- Gang Prevention Initiative (Countywide)

# Montgomery County Public Schools FY2006 Organization

